

CEO Report

FY2015 Annual General Meeting

Scott Wilson, Chief Executive Officer

17 November, 2015

iSelect
.com.au

Diversification benefits delivers strong FY2015 result

Strong FY15 operational result

FY15	Normalised ¹	Growth	
		Normalised ¹	Reported
Revenue	\$157.2m	↑15% ²	↑31%
EBIT	\$25.1m	↑10%	↑124%
NPAT	\$21.4m	↑17%	↑54%
Operating cash flow	\$27.5m	↑122%	↑116%





























































































Key highlights

- **Health contribution:** 59% of all ISU revenue in FY15 vs 70% in FY14
- **Energy contribution:** 18%³ of all ISU revenue in FY15 vs 7% in FY14
- **Health:** Strong volume growth of 10% offset by lower RPS and discount unwind
- **Revenue mix:** Up-front ↑26%, trail ↓15%
- **Business model:** Improved website performance, mobile responsiveness and conversion
- **Partners:** Stronger and more collaborative relationships including NIB and HBF
- **NIA:** \$42.1m settlement, new multi-year partnership with GMHBA

1. Details of normalisations in both FY14 and FY15 are included in iSelect's FY15 Full Year results presentation released to the ASX on 28 August 2015
 2. Revenue growth excluding Energy Watch and excluding the adverse impact of lower discount unwind was 13%
 3. Includes Energy Watch

is a supermarket of brands

we added 16 new partners in FY15 – our panel is the strongest it has ever been

Car	Life	Health	Home Loans	InfoChoice	Energy ¹	Broadband
        	      	            	                 	                   	            	           

- New partnerships and agreements including      
- Continued improvement of customer experience via new digital gateways
- Joint business planning, innovation and growth strategies continue with many partners

FY16
Optimisation

- **Investment:** Strengthen established and accelerate growth of developing businesses
- **Brand:** Re-launch in H2, further evolution of brand in line with long term strategy
- **Direct staffing:** Redesigned learning & development program to accelerate speed to competency
- **Business unit structure:** Full P&L responsibility and alignment to customers and partners
- **Technology:** Investment in iConnect and core I.T. systems to build platforms for the future

Financials

- **Revenue:** Strong growth expected to continue
- **Cost saving program:** Reduction in overheads & direct staffing of \$3.9m in FY16 (\$6.4m annualised)
- **H1 FY16:** EBIT to be significantly below H1 FY15 due to softness in Health
- **Interest income:** Will be significantly lower in FY16 due to NIA Health resolution

Capital
management

- **Buy back:** iSelect will commence on-market buyback of up to 10% of issued capital subject to market conditions
- **Dividend:** The board intends to commence paying a fully franked ordinary dividend once a sufficient franking credit balance has been accumulated

Health



- Affordability in Health Insurance is expected to be an ongoing focus for the industry
- Strengthened partnerships and product offers for our customers
- Remediation of H1 staffing and conversion challenges on track for completion in H2
- Longer term fundamentals of health insurance remain very positive
- Reinvestment in Brand refresh

Energy



- Expect strong revenue growth but requires reinvestment
- Step up in marketing investment to drive increased market presence and relevance
- Continued investment in staffing and partnerships
- Completion of full Energy Watch integration in FY16

Other
businessesLife Insurance

- Ongoing benefit of panel expansion
- Commenced policy sales via superannuation

Car Insurance

- Revenue and earnings growth driven by ongoing operational improvements
- New partner trials continuing

Broadband

- Business model evolving with plans to up-scale
- Ongoing progress on partnerships and staffing investment
- Establishment of robust technology platform

Home Loans

- Revenue growth continuing but requires reinvestment
- Business re-configuration ongoing, including roll-out of new digital consumer processes



- Business model now more established with plans to up-scale
- Ongoing progress on partnerships and technology investment

iMoney.my investment

- Unique visitors (UVs) and revenue growth ahead of expectation
- Strong focus on credit cards

Our Vision

Turn **iSelect** into a verb,



Strategic refresh



Australia's leading multi-channel comparison service

**Refreshed
business unit
structure
(Group
Executives)**

1

**Invest in
scalable
technology
platforms &
cross-serve**

2

**Roll-out of
iConnect to
all verticals
in H2 FY16**

3

**Launching in
H2: Credit
Cards, Travel
Insurance &
Mobile**

4

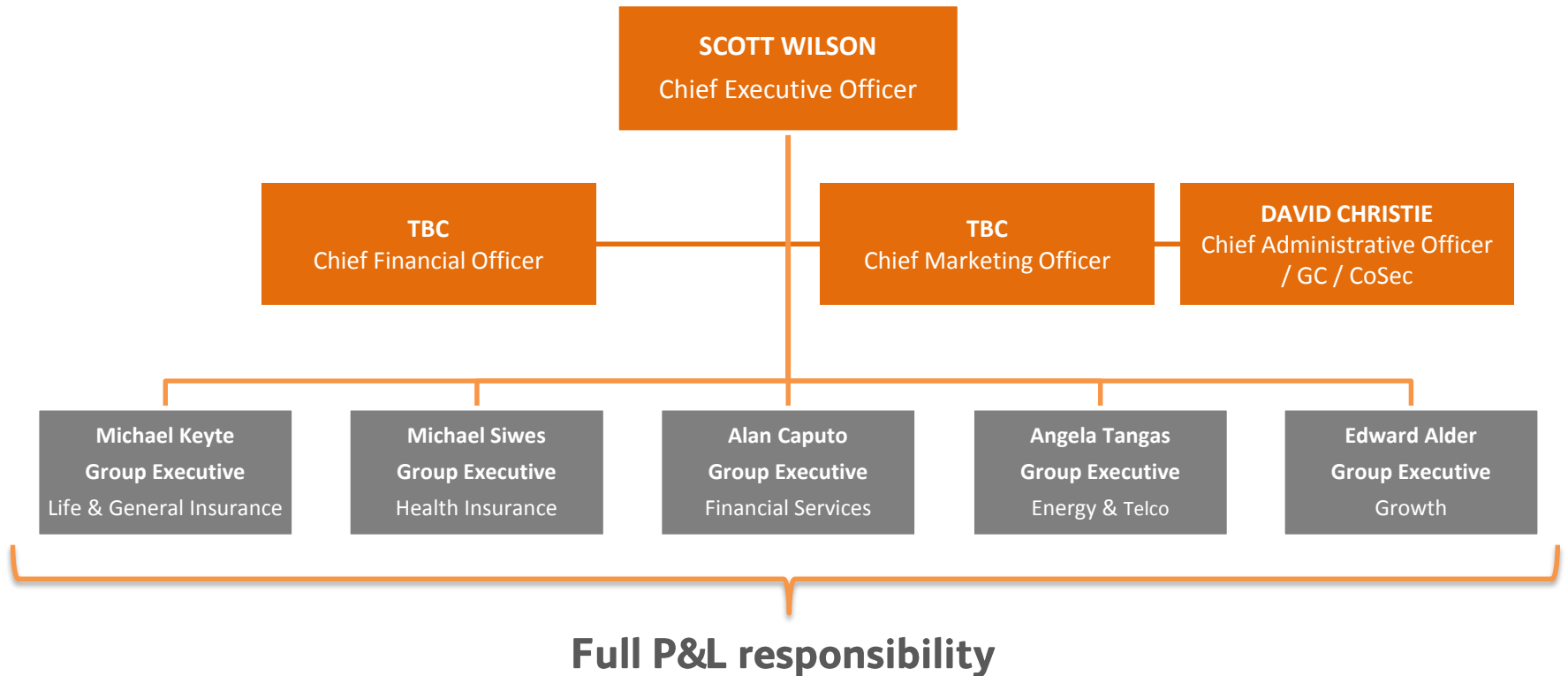
**Expand core
and grow
new
businesses**

5

Our foundation: "Customer-first"



A refreshed business unit structure



iConnect implementation outside of Health & Energy



Health



Energy



Car



Life



Home
Loans



Broadband



InfoChoice

100%

60%

15%

10%

0%

0%

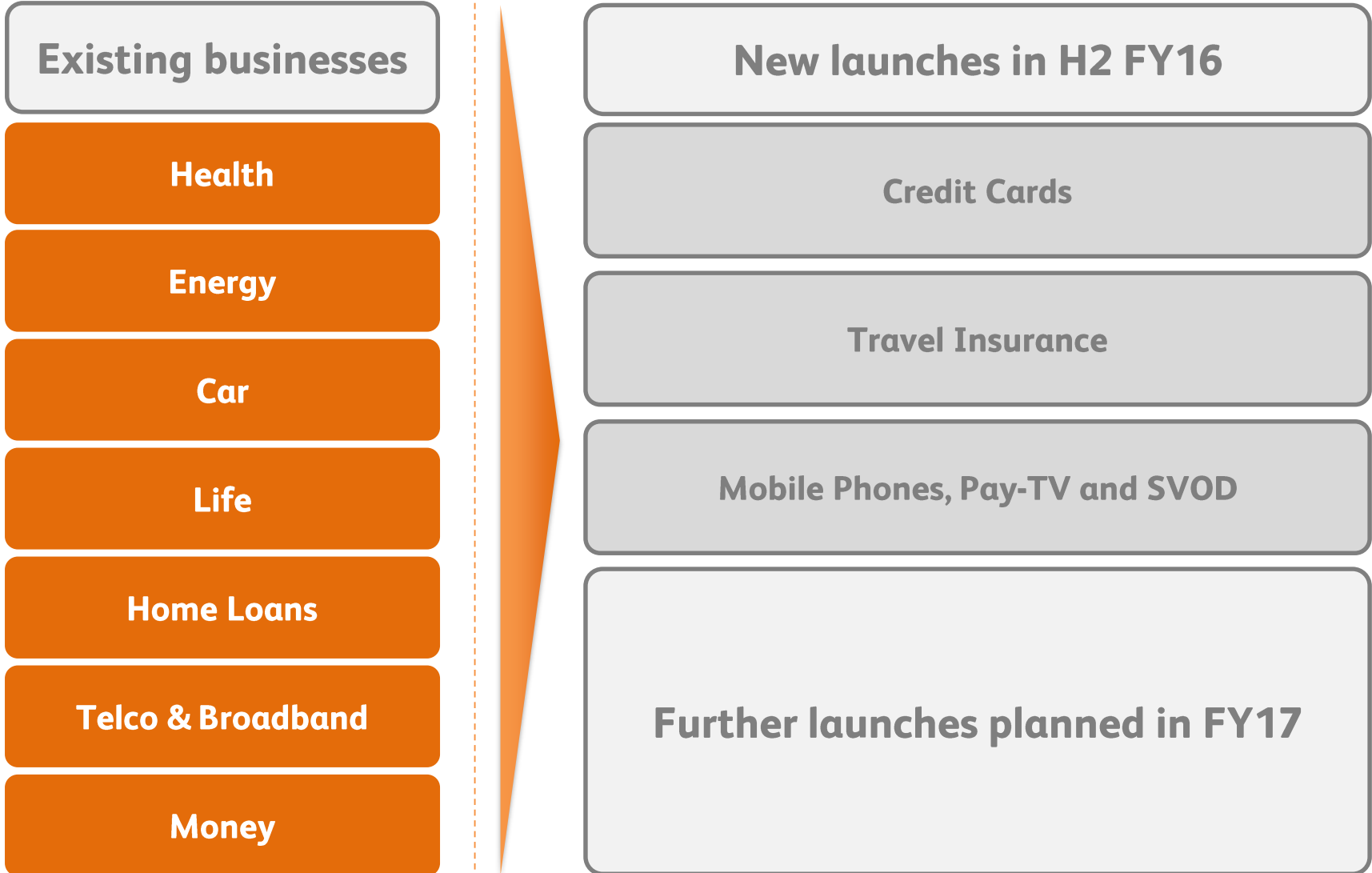
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H2 iConnect
rollout



- Single CRM platform to be rolled out across all verticals in H2 FY16; enabling
- H2 roll out of iSelect's proprietary "iConnect" platform to all business units

Expanding our customer product offerings in H2



Expanding our core and growing new businesses

New creative marketing platform to be launched in H2 FY16

We aim to help our customers when making important life decisions

We alleviate the burden of wading through endless options

We make it easy for our customers to find great value products that fit their needs perfectly



Thank you

Formal Business

TODAY'S PROCEDURE – Registration and Cards

- All those in attendance should have registered at the **Computershare** desk at the back of the room.
- Shareholders, proxies and corporate representatives who are registered to vote today should have received a **GREEN** card.
- Shareholders, proxies and corporate representative who are unable to vote today should have received a **BLUE** card.
- Visitors have been given a **WHITE** admission card but are not allowed to vote, speak or otherwise participate in the meeting.

TODAY'S PROCEDURE – Discussion and Questions

- Questions should be restricted to the subject matter of the business and resolution outlined in the NOM.
- We recommend that each area of discussion is limited to 5 minutes, unless otherwise required.
- When rising to ask a question or comment, please show your **GREEN** or **BLUE** card, state your name and whether:
 - a) You are a shareholder; or
 - b) You are attending as a proxy.

Tabling of Financial Report

Resolution 1

Adoption of the Remuneration Report

Proxies Received

Resolution 1

FOR

101,428,417

AGAINST

20,682,244

OPEN

79,529

ABSTAIN

1,264,517

Resolution 2

Re-election of Mr Chris Knoblanche

Proxies Received

Resolution 2

FOR

158,498,740

AGAINST

21,333

OPEN

79,529

ABSTAIN

-

Resolution 3

Re-election of Mr Damien Waller

Proxies Received

Resolution 3

FOR

133,182,155

AGAINST

25,337,532

OPEN

79,529

ABSTAIN

386

Resolution 4

**Issue of LTIP Share to
Mr Scott Wilson**

Proxies Received

Resolution 4

FOR

97,984,280

AGAINST

160,625

OPEN

79,529

ABSTAIN

31,553,660

Resolution 5

Approve the LTI Plan

Proxies Received

Resolution 5

FOR

125,170,988

AGAINST

170,425

OPEN

79,529

ABSTAIN

31,553,660

Resolution 6

Approve the Performance Rights Plan

Proxies Received

Resolution 6

FOR

113,489,927

AGAINST

4,974,414

OPEN

79,529

ABSTAIN

38,430,732